

ORIGINAL

NEW APPLICATION



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BEFORE THE ARIZONA CORPORATION COMMISSION

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IN THE MATTER OF THE APPLICATION OF)
TRICO ELECTRIC COOPERATIVE, INC. FOR)
APPROVAL OF ITS 2016 RENEWABLE)
ENERGY STANDARD TARIFF)
IMPLEMENTATION PLAN.)

DOCKET NO. E-01461A-15-0223

APPLICATION

Trico Electric Cooperative, Inc. ("Trico" or the "Company") submits its 2016 Renewable Energy Standard and Tariff Implementation Plan ("2016 REST Plan") for Arizona Corporation Commission ("Commission") approval. Trico provides the following Plan information:

I. BACKGROUND.

Trico is an Arizona non-profit corporation that is certified to provide electricity as a public service corporation in the State of Arizona. Trico is a distribution cooperative member of Arizona Electric Power Cooperative ("AEPSCO"). Trico has had its own REST Plan since 2011.¹ The Commission approved Trico's 2011 REST Plan in Decision No. 72086 (January 20, 2011), Trico's 2012 REST Plan in Decision No. 73087 (April 5, 2012), Trico's 2013 REST Plan in Decision No. 73634 (January 31, 2013) (amended nunc pro tunc in Decision No. 73776 (March 21, 2013)), Trico's 2014 REST Plan in Decision No. 74169 (October 25, 2013), and Trico's 2015 REST Plan in Decision No. 74863 (December 18, 2014).

Trico has received recognition regarding the success of its past REST Plans – including being named the cooperative of the year by the Solar Electric Power Association ("SEPA") in

¹ Until 2011, AEPSCO had filed REST Plans on behalf of itself and several of its member distribution cooperatives, including Trico.

2012 and ranking among the top utilities in the country in SEPA categories for the last several years.²

II. OVERVIEW OF 2016 REST PLAN.

Trico's proposed 2016 REST Plan is attached to this pleading as Exhibit A. Trico is submitting its 2016 REST Plan in accordance with A.A.C. R14-2-1814, which is the section in the REST Rules that specifically pertains to electric power cooperatives. Trico is allowed to file "an appropriate plan for acquiring Renewable Energy Credits from Eligible Renewable Energy Resources for the next calendar year."

Trico's 2016 REST Plan includes many of the same renewable energy programs and initiatives as the approved 2015 REST Plan, but also includes new initiatives, some of which are highlighted below. Trico anticipates that its programs will provide almost 40,000 MWh a year of distributed energy and over 390 MWh per year of non-distributed energy by the end of 2016. Trico's 2016 REST Plan budget of \$998,157 is slightly higher than its 2015 REST Plan budget of \$852,641. Trico estimates having approximately \$361,326 of carryover funds available to use towards its 2016 budget. This will not cover the entire 2016 REST Plan budget, so Trico is proposing to reinstate its REST surcharge – with the energy rate and monthly dollar caps, as summarized in the following section, to provide the remaining funding for 2016.

As with previous REST Plans, Trico proposes to continue the provision that any allocated funds not used in the plan year may be used to support any of the programs within Trico's 2016 REST Plan. Trico must have this flexibility to maintain and maximize successful programs.

² See *Utility Solar Market Snapshot – Sustained Growth in 2014*, Solar Electric Power Association (SEPA) (May 2015) available at www.sepaTop10.org (available at <https://www.solarelectricpower.org/media/322918/solar-market-snapshot-2014.pdf> and last checked on June 22, 2015).

1 **III. REINSTATEMENT OF SURCHARGE RATE AND CAPS IN TRICO's 2016 RES**
2 **TARIFF.**

3 In Decision No. 74863, the Commission approved Trico's proposal to suspend its
4 surcharge, as a result of having a projected \$1.4-million carryover available from its 2014 REST
5 Plan budge for 2015. As explained above, Trico estimates having \$361,326 of carryover funds
6 available to use towards its 2016 REST Plan. In order to fully fund its 2016 REST Plan, Trico
7 proposes the following surcharge energy rate and monthly caps:

8
9 **Summary of Trico's Surcharge Tariff Rates**

10

Customer Type	2016 Energy Rate (\$/kWh)	2016 Surcharge Maximum
Residential	\$0.002380	\$1.20
Non-Residential (less than 3,000 kW)	\$0.002380	\$59.50
Non-Residential (equal to or greater than 3,000 kW)	\$0.002380	\$1,135.00
Governmental and Agricultural	\$0.000438	\$18.50

14

15 These proposed surcharge energy rates and monthly caps are reflected in Exhibit 4 –
16 “Renewable Energy Standard Tariff” – attached to Trico's proposed 2016 REST Plan.

17 Regarding how the REST Surcharge will apply to customers on Trico's Residential
18 Prepaid Service (“RPS”) Pilot Program, approved in Decision No. 75087 (May 19, 2015) –
19 customers on the RPS tariff will be subject to the REST surcharge on a per-kWh basis, as with
20 other Trico rates, but with use of a daily REST surcharge cap equaling \$0.04, which is set forth in
21 Exhibit 4 – “Renewable Energy Standard Tariff” – attached to Trico's proposed 2016 REST Plan,
22 and which is calculated in accordance with the RPS Tariff.

23 **IV. OTHER COMPONENTS OF TRICO'S 2016 REST PLAN.**

24 Trico proposes to maintain five of its SunWatts programs for its 2016 REST Plan,
25 including: (1) the Green Energy Purchase Program; (2) the Residential and Commercial PV
26 Interconnection Program (including PV systems over 10 kW, Solar Water Heating systems, as
27 well as continuing to install Trico-owned PV generation meters on all residential and commercial

1 systems); (3) the Educational Grant Program (including expansion of renewable energy education
2 outside of the classroom); (4) the Habitat for Humanity Program; and (5) the Net Metering
3 Program. Trico also proposes to reinstate its Utility-Scale Generation Program to investigate
4 utility-scale renewable projects and potentially issue a request for information and/or proposals in
5 2016 (with a maximum allocation of \$25,000). Trico is proposing to suspend its PV for Schools
6 Program, due to the completion of projects for all interested schools in its service territory.³

7 Trico's Community Solar Project – the SunWatts Sun Farm – remains operational and
8 Trico members can purchase certain increments up to their average monthly kWh energy usage in
9 the last 12-month period. Trico proposes to modify this program by removing the maximum panel
10 purchase per customer with the idea of making this a more viable option for commercial and
11 higher-use residential customers. Trico is also proposing a new option that requires no up-front
12 dollars, by allowing customers to purchase panel output through a monthly solar energy charge.
13 This solar energy charge will stay fixed for a 20-year term. Trico customers, under this option, can
14 purchase whole-panel increments up to, but not to exceed, their minimum monthly kWh energy
15 usage in the last 12 months. The revised "SunWatts Sun Farm Tariff" is attached as Exhibit 5.
16 Trico's new "SunWatts Sun Farm Monthly Tariff" is attached as Exhibit 6.

17 Trico requests to maintain its zero-dollar Up-Front Incentive ("UFI") for customer owned
18 and leased PV systems (residential and commercial). Trico also requests to maintain its zero-
19 dollar Performance-Based Incentive ("PBI") for newly installed customer owned and leased PV
20 systems. For appropriately-certified solar hot-water systems, Trico proposes to continue its UFI
21 rebate of \$0.40 per kWh energy saved during the first year of operation.

22 Regarding net metering, Trico proposes to have net metering remain available through its
23 currently-approved net-metering tariff in Decision No. 71462 (January 26, 2010) – pending a
24 decision to Trico's Application for Net Metering Tariffs and Partial Waiver of Net Metering Rules
25 in Docket No. E-01461A-15-0057.

26
27 ³ Trico is currently working with two school districts to install 13 PV systems for a total of
approximately 2.8 MW, which Trico anticipates will go online in late 2015 or early 2016.

1 **V. CONCLUSION.**

2 WHEREFORE, for the reasons set forth herein, Trico respectfully requests that the
3 Commission issue an Order:

- 4 (1) Approving Trico's proposed 2016 REST Plan;
- 5 (2) Approving Trico to move REST dollars between its various programs so it has the
6 flexibility to maintain and maximize successful programs;
- 7 (3) Approving reinstatement of Trico's REST Surcharge energy rates and monthly
8 caps for 2016, as well as its RPS REST Surcharge energy rates and daily caps in
9 accordance with the formula set forth in Trico's RPS Tariff;
- 10 (4) Approving maintaining the incentives (both UFIs and PBIs) at current levels;
- 11 (5) Approving modification of the SunWatts SunFarm program by removing the
12 maximum panel purchase per customer and approving a new option that allows
13 customers to purchase panel output through a monthly solar energy charge;
- 14 (6) Continuing to allow the recovery of the lifetime of costs of PBIs for the full term of
15 the contracts underlying the PBIs.

16

17 RESPECTFULLY SUBMITTED this 30th day of June 2015.

18 TRICO ELECTRIC COOPERATIVE, INC.

19

20 By 

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1 Original and 13 copies of the foregoing
2 filed this 30th day of June 2015 with:

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8 this 30th day of June 2015 to:

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Trico Electric Cooperative, Inc.
REST Plan for Calendar Year 2016

A.A.C. R14-2-1814

July 1, 2015

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Exhibits

- Exhibit 1 – Distributed Renewable Technologies Supported by the 2016 REST Plan
- Exhibit 2 – Renewable Energy Forecast
- Exhibit 3 – Proposed Trico 2016 REST Plan Budget
- Exhibit 4 – Renewable Energy Standard Tariff
- Exhibit 5 – SunWatts Sun Farm Tariff
- Exhibit 6 – Monthly SunWatts Sun Farm Tariff
- Exhibit 7 – Required Reporting Information

I. BACKGROUND

Trico Electric Cooperative, Inc. ("Trico") has prepared this Renewable Energy Standard and Tariff ("REST") Plan for calendar year 2016 (the "2016 REST Plan"), pursuant to the REST rules approved in Decision No. 69127 dated November 14, 2006 which took effect following Attorney General certification on August 14, 2007 ("REST Rules").

The REST Rules contain a section that specifically addresses electric power cooperatives. A.A.C. R14-2-1814 instructs the cooperatives to file "an appropriate plan for acquiring Renewable Energy Credits from Eligible Renewable Energy Resources for the next calendar year." Upon Commission approval, the provisions of the plan substitute for the requirements of A.A.C. R14-2-1804 and R14-2-1805 for Trico.

Trico's current 2015 REST Plan and its most recent revision to its RES tariffs were approved by the Arizona Corporation Commission ("Commission") in Decision No. 74863, on December 18, 2014.

Pursuant to the REST Rules, Trico submits this 2016 REST Plan for calendar year 2016.

II. TRICO'S 2016 REST Plan

The 2016 REST Plan includes continuing its interconnection program for residential and commercial photovoltaic ("PV") installations, rebates for solar water heating installations and existing performance based incentives approved under previous REST Plans as well as funding to explore utility scale renewables. Trico's renewable generation programs are referred to as SunWatts. Trico will use surcharge dollars and proceeds from consumer participation in the Green Energy Purchase Program, hereinafter defined, to fund renewable programs.

•

The proposed 2016 REST Plan continues rebates for all technologies that were approved as part of the 2015 REST Plan. Funds will also be used to pay for the administration, advertising and promotion of the SunWatts programs.

There are six SunWatts programs that make up Trico's 2016 REST Plan, which include: (1) the Green Energy Purchase Program; (2) the Residential and Commercial PV Interconnection Program; (3) the Utility Scale Generation Program; (4) the Educational Grant Program; (5) the Habitat for Humanity Program; and (6) the Generation Metering Program. Each of these programs is described below.

Additional renewable energy initiatives include the availability of Net Metering through Trico's approved Net Metering Tariff, Decision No. 71462, dated January 26, 2010, pending a decision to Trico's Application for Net Metering Tariffs and Partial Waiver of Net Metering Rules (Docket No. E01461A-15-0057), as well as Trico's participation in the "Go Solar AZ Website", pursuant to Decision No. 71453, and Trico's approved Community Solar Project ("SunWatts Sun Farm"), located at Trico's facility.

(1) SunWatts Green Energy Purchase Program: This is an existing program whereby Trico's retail customers are given the opportunity to voluntarily support the purchase of "green energy." Green energy is offered to customers for purchase in 50 kWh blocks at a cost of \$2.00 per block. Green energy purchases are reflected as a line item on participating customers' retail bills. All funds received are used in support of the 2016 REST Plan programs. Advertising and other promotional activities encourage participation in this program and will continue as conducted under the 2015 REST Plan. Trico proposes no change to the existing tariff applicable to this program, the Voluntary Renewable Energy Standard Program Tariff (Schedule VRES).

(2) **SunWatts Residential and Commercial PV Interconnection Program:** This is an existing program where Trico assists customers with the interconnection of PV systems to encourage the installation of qualifying solar PV. Trico also offers incentives for the installation of solar water heating systems and other renewable technologies, as applicable.

(a) **PV systems up to 10 kW in system size:**

Trico is requesting to maintain its zero dollar Up-Front Incentive ("UFI"), for newly installed customer owned and leased PV systems.

(b) **PV systems over 10 kW in system size:**

Trico is requesting to maintain its zero dollar Performance Based Incentive ("PBI"), for newly installed customer owned and leased PV systems.

(c) **Solar Water Heater Systems:**

As currently offered under the 2015 REST Plan, Trico proposes to continue its UFI rebate equal to \$0.40 per kWh of energy saved during the system's first year of operation. Only systems certified by the Solar Ratings and Certification Corporation ("SRCC") or the International Association of Plumbing and Mechanical Officials ("IAPMO") as being OG-300 are eligible for this rebate. A list of OG-300 certified Solar Systems is available at SRCC's website at www.solar-rating.org or at the IAPMO website at <http://pld.iapmo.org>. In addition, the customer contribution to the cost of the solar water heater project must be a minimum of 15% of the total project cost after accounting for and

applying all federal and state incentives. Rebates for solar water heaters will be distributed on a first-come, first-served basis and will be available until such time as the budget for the program is exhausted. At such time that the rebate budget is exhausted, customers will be placed on a rebate reservation waiting list. Solar swimming pool heating systems are not eligible for the rebate.

(d) Generation Metering Program:

In 2014, approved under Trico's 2013 REST Plan, Trico began installing its own meter that measures the output of the PV generation on all new and existing PV systems. For 2016, Trico proposes to continue this program as currently offered, whereby Trico allocates a portion of the budget to installing Trico owned PV generation meters on all residential and commercial PV systems. The cost for the program includes the capital cost of each meter, the labor to install the meter and the cost of the cell phone service to electronically read the meters.

The generation meters are billing quality and electronically read by Trico and the data recorded. The installation of the PV generation meters provides Trico the data to analyze the impacts of the renewable generation (e.g. system reliability, potential reduction of the need for area facilities through better system planning, rate design, etc.). The data also provides information to customers that have PV systems regarding their system output/efficiency and helps Trico respond to billing questions associated with Net Metering.

The attached Exhibit 1 entitled "Distributed Renewable Technologies Supported by the 2016 REST Plan" summarizes the incentive levels provided for each technology. For 2015 Trico has not received a request for a new technology not described in Exhibit 1; however Trico will evaluate applications received for a new technology on a case by case basis.

(3) Utility Scale Generation Program: Trico proposes to reinstate its Utility Scale Generation Program to investigate utility scale renewable projects and potentially issue a request for information and/or proposals in 2016. A maximum of \$25,000 will be allocated for this program in 2016.

(4) SunWatts Educational Grant Program: For 2016, Trico proposes to expand its Educational Grant Program to not only include financial support for renewable energy education in the classroom by offering teachers education grants for the development of renewable curricula for the classroom, but to also include renewable energy education outside of the classroom. Trico will review applications submitted by any Trico Member who wishes to create renewable curricula or install renewable energy technology to support an educational purpose. A maximum of \$30,000 will be allocated for this program in 2016.

(5) SunWatts Habitat for Humanity Program: Trico proposes to continue its Habitat for Humanity Program for 2016. Trico's Habitat for Humanity Program allows it to partner with the Habitat for Humanity to offer renewable energy options to low-income families. The Habitat organization will receive grants for the purchase of PV and

other renewable energy equipment to be installed on Habitat homes. Trico will also assist in finding local renewable energy equipment dealers who are willing to donate products and services. The type and amount of equipment will vary from project to project. Up to two of these projects will be undertaken each year with a total program budget of \$5,000.

(6) PV for Schools Program: In 2013, Trico modified its PV for Schools Program to a competitive application process whereby the successful school(s) would receive renewable energy through a purchased power agreement that Trico negotiates directly with the solar company(s). Trico has received and approved applications from schools interested in moving forward with the installation of PV systems at their facilities. Trico is currently working with two school districts to install 13 PV systems for a total of approximately 2.8 MW. Trico anticipates that these systems will go online in late 2015 or early 2016.

For 2016, Trico is proposing to suspend its PV for Schools Program due to completion of projects for all interested schools in the service area. However, Trico's Educational Grant Program is available for any school wishing to obtain an incentive from Trico to further its renewable energy educational programs.

(7) Net Metering: All customers with a renewable resource that qualifies and meets the requirements under the Net Metering Rules, A.A.C. R14-2-2301 through R14-2-2308, and Trico's Net Metering Tariff, approved in Decision No. 71462 dated January 26, 2010, pending a decision to Trico's Application for Net Metering Tariffs and Partial

Waiver of Net Metering Rules (Docket No. E01461A-15-0057), are eligible to participate in Trico's Net Metering program.

(8) Arizona Goes Solar Website: Trico has participated with Arizona Public Service (APS) and the other Arizona utilities in this project. The website was made available to the public in September 2010. As required by Decision No. 71453, Trico will continue to support the Arizona Goes Solar (formerly called "Go Solar AZ") Website and will continue to provide information such as and including the following: the reservation request review date; the incentive program under which the incentive is being offered; the amount of the incentive offered; the size and nature of the systems (whether commercial or residential); the step in the reservation process each system is in at the time it is posted; total cost of the system; nameplate rating of the system; current incentive application status; and the name of the installer of the system.

(9) Community Solar Project ("SunWatts Sun Farm"): Trico's SunWatts Sun Farm became operational in June 2011 and consists of 840 ground mount fixed tilt panels that total to 227 kW. The current program includes that a Trico member can purchase panels in one-quarter, one-half or in full panel increments up to but not to exceed their average monthly kWh energy usage in the last twelve-month period. Customers who purchase a part or several panels will receive a credit on their bill equal to energy generated by their panel(s) in accordance with the SunWatts Sun Farm Tariff approved under Decision No. 72086. Trico proposes to modify the existing SunWatts Sun Farm Tariff to remove the maximum panel purchase per customer with the idea of making the

Sun Farm a more viable option for commercial and larger residential customers. The revised SunWatts Sun Farm Tariff (Schedule RESD) is included in Exhibit 5.

In an effort to provide a competitive option that requires no upfront dollars, Trico's 2016 REST Plan includes a new tariff that will allow participation by purchasing panel output through a monthly solar energy charge. The solar energy charge will stay fixed for a twenty (20) year contract term. A Trico customer can purchase energy output in whole panel increments up to but not to exceed their minimum monthly kWh energy usage in the last twelve-months. The proposed new SunWatts Sun Farm Monthly Tariff (Schedule RESFM) is included in Exhibit 6.

(10) Other Items:

Flexibility of Funds: To maintain and grow participation in its 2016 REST Plan programs, Trico requests Commission approval to shift approved funds between programs, and to modify the program budgets in the 2016 REST Plan when cost-effective to do so. This flexibility is essential to Trico's ability to grow its programs as Trico does not know the response from its customers when implementing its programs. This flexibility will also help Trico to maintain and maximize the most successful programs without oversubscription.

Residential Prepaid Service (RPS) Pilot Program REST Surcharge Calculation:
Pursuant to Decision No. 75087, dated May 19, 2015, the RPS tariff is subject to the REST Surcharge on a per kWh basis as all other Trico rates, but with the use of a daily (rather than monthly) REST Surcharge Cap. The methodology for calculating a daily

REST surcharge Cap is based on the following formula; the Monthly Residential Rest Surcharge maximum $\times 12$ months $\div 365$ days rounded to nearest mill (1/10 of a penny). Trico proposes a REST Surcharge Cap for RPS customers of \$0.04 per day under its 2016 REST Plan, which is included in the revised Renewable Energy Standard Tariff (Schedule RES) attached as Exhibit 4.

III. ADMINISTRATION OF THE SUNWATTS PROGRAM

Annual Reporting and Plan Development: By April 1, 2016, Trico will file a report that describes results for its 2015 REST Plan. On or before July 1 of each year, Trico will file an updated plan as required A.A.C. R14-2-1814.B.

Required Reporting Information: Decision Nos. 72734, 72737, and 72738 ordered Tucson Electric Power Company, Arizona Public Service, and UNS Electric, Inc. to submit a report for Commission Staff approval on the Companies' joint REST Plan formatting standardization efforts. Such report was to be formulated by a REST Format Working Group ("REST Working Group") that consisted of members of all utilities that fall within the jurisdiction of the Commission. The REST Working Group submitted its recommendations to the Commission, which were subsequently adopted. Trico submits the following tables, in Exhibit 7, attached hereto, to meet this requirement:

Table 1 – Targeted Resources

Table 2 – Targeted RES Resource Costs

Advertising and Promotion: Trico SunWatts advertising includes a variety of mediums, including, but not limited to: bill inserts and ads/stories in monthly newsletters; counter cards

and posters; paid ads in local newspapers; paid ads on rural radio stations; participation at local events, such as cooperative annual meetings and county fairs; and a SunWatts promotional presence on the Trico website.

IV. ESTIMATED RESULTS/BUDGET/TARIFFS

Based on the programs and projects currently in place, as well as the assumptions included in this 2016 REST Plan, Trico anticipates that its programs will provide 39,970,637 kWh of distributed and 391,817 kWh of non-distributed generation totaling 40,362,454 kWh of renewable generation by the end of 2016. The attached Exhibit 2 entitled "Renewable Energy Forecast" reflects Trico's estimated renewable energy for 2016.

The renewable forecasts described herein were used to formulate the proposed budget included in the attached Exhibit 3 entitled "Proposed Trico 2016 REST Plan Budget". This budget assumes that the surcharge tariff will be modified as described below.

Trico projects a carryover of \$361,326 in budget dollars into 2016. This anticipated carryover began with Trico receiving a significant amount of Federal stimulus dollars for the period 2010 through 2012, which allowed Trico to eliminate its once significant rebate backlog and left additional funds for future incentives. Additionally, Trico's rebate incentives for new PV systems installed in its service territory were reduced to zero dollars earlier than expected, resulting in unused budget dollars. Trico also experienced a delay in the installation of systems under its PV for Schools Program. These events result in carryover funds from 2014 to cover the budget needed to fund Trico's 2015 REST programs of \$852,641. Trico expects to still have an additional estimated \$361,326 remaining to carryover to 2016, however this will not cover the entire 2016 REST Plan budget. As a result, Trico plans to reinstate a REST surcharge energy rate and monthly dollar caps, as summarized in Table 1 below to provide the remaining funding for the 2016 REST Plan budget.

Table 1: Summary of Trico's Surcharge Tariff Rates

Customer Type	2016 Energy Rate (\$/kWh)	2016 Surcharge Maximum
Residential	\$0.002380	\$1.20
Non-Residential (less than 3,000 kW)	\$0.002380	\$59.50
Non-Residential (equal to or greater than 3,000 kW)	\$0.002380	\$1,135.00
Governmental and Agricultural	\$0.000438	\$18.50

The tariffs revised to reflect the 2016 REST Plan are attached and include: (i) Exhibit 4 entitled "Renewable Energy Standard Tariff"; (iv) Exhibit 5 entitled "SunWatts Sun Farm Tariff"; and (v) Exhibit 6 entitled "SunWatts Sun Farm Monthly Tariff".

Exhibit “1”

Exhibit 1

Distributed Renewable Technologies Supported by the 2016 REST Plan

Technology	UFI	PBI
Solar Electric	For systems up to 10 kW: \$0.00	For systems over 10 kW: \$0.00
Solar Water Heating	\$0.40 per kWh for first year savings	N/A

Exhibit “2”

Exhibit 2

Renewable Energy Forecast

	<u>2016</u>
	<u>Renewable Energy (kWh)</u>
<u>Residential DG</u>	
Existing and New PV Installations	23,017,742
Existing Wind Installations	10,512
Existing and New Solar Water Heater Installations	587,605
Allocated Renewable Energy From Joint AEPCO Plan	145,394
Subtotal Trico Renewable Energy - Residential DG	23,761,253
IOU Target Renewable Energy – Residential	6,412,615
<u>Non-Residential DG</u>	
Existing PV Renewable Energy (UFI and PBI)	11,005,440
New Installations PV Renewable Energy PBI	5,192,688
AEPCO Unit	11,256
Subtotal Trico Renewable Energy - Non-Residential DG	16,209,384
IOU Target Renewable Energy – Non-Residential	6,412,615
<u>Other Renewable (Non-DG)</u>	
SunWatts Sun Farm	391,817
Total Trico Renewable Energy	40,362,454
Trico Forecast kWh Sales – 2016	712,512,794

Exhibit “3”

Exhibit 3

Proposed Trico 2016 REST Plan Budget

Proposed 2016 REST Budget	
Program	Total Budget
PV Systems Under 10kW UFI Rebates	\$0
PV Systems Over 10kW PBI Rebates	\$402,882
Residential SWH UFI Rebates	\$4,848
PV for Schools Program	\$228,478
Utility Scale Renewable Project	\$25,000
Subtotal Distributed Energy Cash Incentive Payments	\$661,208
Educational Grant Program	\$30,000
Habitat for Humanity Program	\$5,000
Total Distributed Energy Costs	\$696,208
Total Generation Costs	\$0
Other Program Costs	\$301,949
Administrative Expenses	\$170,000
Generation Meter Program	\$131,949
Total 2016 REST Budget	\$998,157

Exhibit “4”

Exhibit 4

Renewable Energy Standard Tariff

ELECTRIC RATES

TRICO ELECTRIC COOPERATIVE, INC.

8600 W. Tangerine Road

Marana, Arizona 85658

Filed By: Vincent Nitido

Title: CEO/General Manager

Effective Date: January 1, 2016

STANDARD OFFER TARIFF

RENEWABLE ENERGY STANDARD TARIFF SCHEDULE RES

Background

On November 14, 2006, the Arizona Corporation Commission ("Commission") issued Decision No. 69127 that contained a Renewable Energy Standard ("RES") which set forth annual renewable energy requirements for all affected electric utilities in the State of Arizona as well as a requirement that each affected electric utility file with the Commission for approval a RES Tariff to fund such renewable energy requirements.

Availability

In the Cooperative's Certificated Area where its facilities are of adequate capacity and the required phase and suitable voltage are in existence and are adjacent to the premises served.

Application

On all bills for all governmental and agricultural members/customers with multiple meters, a Renewable Energy Standard Surcharge mandated by the Arizona Corporation Commission ("Commission") will be assessed monthly at the lesser of the per kilowatt-hour of retail electricity purchased by the consumer, or the maximum, both as stated below. In the case of unmetered services, Trico Electric Cooperative, Inc. ("Cooperative") shall, for purposes of billing the RES Surcharge and subject to the maximum assessment set forth herein, use the lesser of (i) the load profile or otherwise estimated kWh required to provide the service in question; or (ii) the service's contract kWh.

Monthly Rate

Customer	kWh	Maximum
Governmental and Agricultural	\$0.000438	\$18.50

Application

On all bills in all other tariff service categories than those listed above, an RES Surcharge mandated by the Commission will be assessed monthly at the lesser of the per kilowatt-hour of retail electricity purchased by the consumer, or the maximum stated below.

In the case of unmetered services, the Cooperative shall, for purposes of billing the RES Surcharge and subject to the maximum assessment set forth herein, use the lesser of (i) the load profile or otherwise estimated kWh required to provide the service in question; or (ii) the service's contract kWh.

Monthly Rate

Customer	kWh	Maximum
Residential	\$0.002380	\$1.20
Non-Residential	\$0.002380	\$59.50
Non-Residential whose metered demand is 3,000 kW or more for 3 consecutive months	\$0.002380	\$1,135.00

RES Surcharge Cap for Residential Prepaid Service (RPS) customers: \$0.04 per day

The RES Surcharge is in addition to all other rates and charges applicable to service to the member/customer.

Exhibit “5”

Exhibit 5

SunWatts Sun Farm Tariff

ELECTRIC RATES

TRICO ELECTRIC COOPERATIVE, INC.
8600 W. Tangerine Road
Marana, Arizona 85658
Filed By: Vincent Nitido
Title: CEO/General Manager

Effective Date: January 1, 2016

STANDARD OFFER TARIFF

SUNWATTS SUN FARM TARIFF SCHEDULE RESD

Background and Availability

The Arizona Corporation Commission ("Commission") approved the Renewable Energy Standard and Tariff Rules ("REST Rules") in Decision No. 69127 dated November 14, 2006, which set out the renewable energy requirements for all affected electric utilities in the State of Arizona. Trico Electric Cooperative, Inc. ("Cooperative") has prepared a REST Plan which provides for rebate support of customer owned renewable resources and larger scale renewable resources. The REST Plan may be modified from time to time on further application to the Commission.

The Residential Community Solar Demonstration Project Voluntary Purchase Program ("SunWatts Sun Farm") is part of the Cooperative REST Plan and is available to all RS1, RS1TOU, GS1, GS2 and GS3 customers of the Cooperative who wish to participate in support of renewable resources through purchase of energy output from the installation of a Cooperative-owned Photovoltaic (PV) generation facility. A customer may purchase panel output up to but not to exceed their average monthly kWh energy usage in the last twelve month period.

The Sun Watts Sun Farm is designed to produce 227,000 watts and is located at the Cooperative office facility at 8600 W. Tangerine Road, Marana, Arizona 85658. The Cooperative plans to utilize all proceeds associated with this tariff for future expansion of the SunWatts Sun Farm through construction of additional SunWatts Sun Farm renewable resources.

Program

The SunWatts Sun Farm provides for voluntary participation by residential and small commercial customers which may benefit renters and other members who cannot install renewable resources on their property, to customers that want to expend only a small amount of initial capital on renewable energy.

Any customer desiring to participate in the SunWatts Sun Farm must complete and return an application. Participation shall be on a first-come, first-serve basis until the full output of the facility is assigned. Each applicant awarded panel output will enter into a purchase contract with the Cooperative, which will specify the rights and obligations of the arrangements for a twenty year term.

Customers may purchase the output of PV panels from the SunWatts Sun Farm in ¼, ½ and full panel increments. The customer will be billed the full cost of the panels contracted as a one-time up-front charge.

The customer will receive a credit for the energy output of the panel(s), in accordance with the rates and charges under the customer's Standard Rate Schedule in a similar fashion as the Cooperative's Net Metering Tariff Schedule NM. The Cooperative will apply the credit to the customer's monthly bill for the 20 year term of the purchase contract or until such time as the customer's purchase contract is terminated or the customer assigns some or all of the solar panels subject to a purchase contract subject to the Cooperative's written approval. The Cooperative shall retain the rights to all the Renewable Energy Credits (RECs) produced by the Sun Watts Sun Farm.

Pricing of the Sun Watts Sun Farm panels is described in the table below:

Panel Size	Cost
Quarter Panel	\$230
One Half Panel	\$460
Full Panel	\$920

Exhibit “6”

Exhibit 6

SunWatts Sun Farm Monthly Tariff

ELECTRIC RATES

TRICO ELECTRIC COOPERATIVE, INC.

8600 W. Tangerine Road

Marana, Arizona 85658

Filed By: Vincent Nitido

Title: CEO/General Manager

Effective Date: January 1, 2016

STANDARD OFFER TARIFF

SUNWATTS SUN FARM MONTHLY PARTICIPATION TARIFF SCHEDULE RESFM

Background and Availability

The Arizona Corporation Commission ("Commission") approved the Renewable Energy Standard and Tariff Rules ("REST Rules") in Decision No. 69127 dated November 14, 2006, which set out the renewable energy requirements for all affected electric utilities in the State of Arizona. Trico Electric Cooperative, Inc. ("Cooperative") has prepared a REST Plan which provides for rebate support of customer owned renewable resources and larger scale renewable resources. The REST Plan may be modified from time to time on further application to the Commission.

The Residential Community Solar Demonstration Project Voluntary Purchase Program ("SunWatts Sun Farm") is part of the Cooperative REST Plan and is available to all RS1, GS1, GS2 and GS3 customers of the Cooperative who wish to participate in support of renewable resources through the purchase of energy output from the installation of a Cooperative-owned Photovoltaic (PV) generation facility. Customers being served under the Cooperative's time of use or self-generation tariffs may not purchase power under this Schedule RESFM (including, but not limited to the Cooperative's Net Metering Tariff Schedule NM).

Program

The Sun Watts Sun Farm is located at the Cooperative office facility at 8600 W. Tangerine Road, Marana, Arizona 85658. The SunWatts Sun Farm provides for voluntary participation by residential and small commercial customers which may benefit renters and other customers who cannot install renewable resources on their property, as well as, customers that want to expend minimal initial capital on renewable energy. The Cooperative plans to utilize all proceeds associated with this tariff for future expansion of the SunWatts Sun Farm through construction of additional SunWatts Sun Farm renewable resources.

A customer may purchase panel output up to but not to exceed their minimum monthly kWh energy usage in the last twelve month period. A Customer can purchase solar energy output in solar blocks of 432 kWh per year or 36 kWh per month. The Cooperative will apply the energy charge to the customer's monthly bill for a 20 year term or until such time as the customer cancels his/her participation in the program.

Rate

Wholesale power, transmission and distribution fixed costs will be applied to all energy delivered, including energy delivered under this Schedule RESFM. The customer is responsible for paying (each month) all charges incurred under their applicable rate schedule, and the total solar energy contracted for multiplied by the applicable solar block

energy rate. Any demand based or fixed charges under the Customer's current Rate will not be affected by elections under Schedule RESFM. No discounts specified in any of the above-listed standard offer tariffs will apply to this Rate. Table 1 below provides a summary of the current Cooperative Standard Offer Tariffs effective August 1, 2009 and Table 2 provides the resultant customer energy rate for each rate class with the RESSFM Tariff applied.

Table 1: Standard Offer Tariffs Effective August 1, 2009			
Rate Class	Fixed Cost Portion Energy Rate (\$/kWh)	Variable Cost Portion Energy Rate (\$/kWh)	Total Energy Rate (\$/kWh)
RS1	\$0.08403	\$0.03757	\$0.12160
GS1	\$0.09593	\$0.03757	\$0.13350
GS2	\$0.10043	\$0.03757	\$0.13800
GS3	\$0.04550	\$0.03750	\$0.08300

Table 2: Schedule RESSFM Applied to Standard Offer Tariffs			
Rate Class	Fixed Cost Portion Energy Rate (\$/kWh)	Solar Block Portion Energy Rate (\$/kWh)	Total Energy Rate (\$/kWh)
RS1	\$0.08403	\$0.06132	\$0.14535
GS1	\$0.09593	\$0.06132	\$0.15725
GS2	\$0.10043	\$0.06132	\$0.16175
GS3	\$0.04550	\$0.06132	\$0.10682

Terms and Conditions

1. Participation in this program is limited in the Cooperative's sole discretion to the amount of solar generation available and subscription will be made on a first come, first served basis.
2. Each solar block's energy rate will be maintained for twenty years from the date of purchase. For the purposes of the twenty year energy rate, solar blocks will be attributed to the Customer's original service address. Transfer of service under Schedule RESFM is prohibited. Should the Customer cancel service for any reason, his or her subscription under RESFM will expire.
3. Customers may add or delete solar blocks once within a twelve month period. Any addition of solar blocks will be at the then offered solar block energy rate.
4. Solar blocks will be applied to the actual energy usage each month. Electricity used in excess of the purchased solar blocks will be billed at the Customer's regular energy rate. Any electric usage below the amount covered by the solar block(s) will not be rolled forward and credited again to the Customer's usage in the following month.
5. All contracted solar block energy and associated charges in a billing month will be excluded from the calculation of the Cooperative's Wholesale Power Cost Adjustor (PCA) and REST charges and/or credits.
6. The Cooperative shall retain the rights to all the Renewable Energy Credits (RECs) produced by the Sun Watts Sun Farm.

Exhibit 7

Required Reporting Information

IMPLEMENTATION PLAN

Table 1 - Targeted Resources²

Line No.		Ownership ¹	Targeted Completion	2016 Total MW	Targeted Energy Production (MWh or Equivalent)						Line No.
					2016	2017	2018	2019	2020	Total	
1	Targeted Generation Resources:	Solar:	N/A								1
2											2
3											3
4											4
5											5
6	Wind:	N/A									6
7											7
8											8
9	Geothermal:	N/A									9
10											10
11											11
12	Biomass/Biogas:	N/A									12
13											13
14											14
15	Total Targeted Generation										15
16	N/A										16
17											17
18											18
19	Targeted Distributed Energy Resources:										19
20	Residential:										20
21	PV	N/A	N/A	1.18	2,587					2,587	21
22	Wind	N/A	N/A	-	-					-	22
23	Solar Water Heating	N/A	N/A	0.01	12					12	23
24	Subtotal Residential				1.19	2,599				2,599	24
25											25
26	Non-Residential:										26
27	PV-UFI	N/A	N/A	-	-					-	27
28	PV-PBI	N/A	N/A	3.55	5,193					5,193	28
29											29
30											30
31	Subtotal Non-Residential				3.55					5,193	31
32											32
33	Total Targeted DE				4.73					7,792	33
34											34

Notes:

¹All utility-owned and Third Party generation projects are developed through a competitive RFP process, and all DE systems are built independently by Third Party developers and installers.
²Per the Report on Renewable Energy Standard (RES) Plan Formats, this table focuses exclusively on new resources proposed or expected to be added across the Implementation Plan period. No prior installation information is included.

IMPLEMENTATION PLAN

Table 2 - Targeted RES Resource Costs (in \$Ms)

Table 2 - Targeted RES Resource Costs (in \$Ms)				COMPETITIVELY CONFIDENTIAL ¹						
Ownership				Projected RES Cost per Year ¹						
Line No.	Targeted Generation Resources ¹ :			2016	2017	2018	2019	2020	Total	Line No.
1		Solar:	N/A							1
2										2
3										3
4										4
5										5
6		Wind:	N/A							6
7										7
8										8
9										9
10		Geothermal:	N/A							10
11										11
12										12
13		Biomass/Biogas:	N/A							13
14										14
15										15
16		SubTotal Targeted Generation								16
17										17
18		Targeted and Expected Distributed Energy Resources ² :								18
19										19
20		Residential:								20
21		PV		-	N/A	N/A	N/A	N/A	-	21
22		Wind		-	N/A	N/A	N/A	N/A	-	22
24		Solar Water Heating		0.005	N/A	N/A	N/A	N/A	0.005	24
27		Subtotal Residential		0.005					0.005	27
28										28
29		Non-Residential:								29
30		PV-UF1		-	N/A	N/A	N/A	N/A	-	30
31		PV-PBI		0.228	N/A	N/A	N/A	N/A	0.228	31
32										32
33										33
34										34
35		Subtotal Non-Residential		0.228					0.228	35
36										36
37		SubTotal Targeted Distributed Energy		0.233					0.233	37
38										38
39		Total Targeted Energy Costs		0.233					0.233	39

¹ Redacted due to the competitively confidential nature of the information.

² Data reflects only RES-attributable costs (i.e. incentives).